

HOUSING NEED AND GAPS

A survey conducted by the Planning Department in 2000 showed that “area residents agreed, by a ratio of five to one, that there are plenty of housing choices, in terms of type and size, and by price range, available in the city and county.” Approximately 83 percent of those surveyed agreed that there were “plenty of housing choices in Lincoln and Lancaster County in terms of type and size.” Additionally, 69 percent felt that there were “plenty of housing choices in Lincoln and Lancaster County” in their price range. Conversely, 25 percent of those survey disagreed with the statement that there were “plenty of housing choices” in their price range. For those that have the income to support their housing preferences, housing choice is generally not an issue. However, for the 25 percent that have inadequate housing choices in their price range, housing problems could range on a continuum from general dissatisfaction with their housing unit to sever cost overburden to living in unfit conditions to a day-to-day threat of homelessness.

If we infer from the survey results that at least one-fourth of households do not feel that the housing stock meets their housing “needs” in terms of price and/or choice of size and type, whose needs are not being met, and why and how are they not being met? The following chapter will examine the housing units needed to meet the sizes and incomes of existing renter and owner households.

The following is a summary of findings about housing need:

- *Approximately 25,749 rental units were needed by existing, low-income renter households in 2000: 7,132 by small families, 1,140 by large families, 3,478 by elderly households, and 13,999 by individuals and unrelated households.*
- *Approximately 12,879 owner units were needed by existing, low-income owner households in 2000: 3,921 by small families, 1,045 by large families, 5,306 by elderly households, and 2,607 by individuals and unrelated households.*
- *An estimated 2,400 rental units and 5,700 owner units are in need of supportive services for persons 18 and older with a disability. (This does not include services needed by those persons ages under 18 or 62 and older living with care givers/family members or services needed by persons in institutions.) An estimated 400 rental units and 1,100 owner units are in need of extensive supportive services for low-income, frail elderly householders.*
- *Approximately 2,450 barrier-free or modified housing units were needed for persons with physical disabilities in 2000. An estimated 500 barrier-free rental units and 700 barrier-free owner units, plus another 450 modified rental units and 800 modified owner units were needed.*

The following is a summary of findings about housing gaps:

- *There was a surplus of approximately 5,490 rental units in Lincoln in 2000. There was an overall surplus of two- and three-bedroom units by 3,229 units and 4,418 units respectively. However, there was an overall shortage of efficiency plus one-bedroom units of 2,157.*
- *While there was an overall surplus of units affordable to low-income households of each size, there was a shortage of units among specific rent groups and sizes. There was a shortage of 2,038 efficiency plus one-bedroom units and 1,013 two bedroom units affordable to those households with incomes less than 30 percent of the median family income.*

However, these units also had vacancy rates of 12 and 14 percent respectively (compared to 7 percent of all units affordable to low income households). This may signal that while these units are available, they may not meet household needs in terms of quality or other factors.

- *The lowest vacancy rates were among three- or more bedroom units in general and units that were affordable to households with 50 to 80 percent of median income and 80 percent or more. Specifically, two-bedroom units affordable to those with incomes of 80 percent or more, two-bedroom units for those 50 to 80 percent, and three-bedroom units for those under 30 had the lowest vacancy rates.*
- *Even with the surplus of 15,686 rental units affordable to low-income households, the fact remains that 11,911 low-income, renter households were cost overburdened in 2000. Cost overburden shows that there is a mismatch between households with specific incomes and units in their price range.*
- *When factoring the mismatch we find that there is a shortage of approximately 5,597 units affordable to low-income households, including 5,512 units affordable to extremely low-income households. While there was a surplus of 3,247 units available to those earning 30 to 50 percent, this was not enough to make up for the shortage of 3,332 units for those making 50 to 80 percent.*
- *The need for Section 8 tenant-based rental housing assistance has grown dramatically over the last five years, with the waiting list growing from 835 households (less than a six-month estimated waiting period) in December of 1999 to 2,246 (over a two-year estimated waiting period) in December of 2004. This does not include the over 2,200 households already receiving assistance. Because the waiting list often includes households who are homeless or living in temporary situations, this list could indicate a shortage of an additional 2,000+ units affordable to those earning under 50 percent of the median income.*
- *Elderly, low-income renter households were more likely to have a housing problem, particularly in terms of cost overburden, than any other household type; over half were cost overburdened.*
- *Over 80 percent of all other (including small family, large family, and individual), extremely low-income households had a housing problem. While cost overburden was the biggest problem for these extremely low-income households, overcrowding was also a substantial problem for large families in this income range.*
- *The increasing need for rental assistance is a sign that the need for housing for extremely low-income and very-low income populations has grown since the 2000 Census. Factoring the estimated rental housing shortage in 2000, the gap in rental housing assistance in 2005, and need for transitional housing by the homeless population in 2005, the gap in rental housing for those with incomes less than 50 percent of the median could be as high as 5,000 rental units today.*
- *There was an estimated surplus of 885 owner units in Lincoln in 2000, with a surplus of low-income owner units of 24,670. However, any household with an income under 80 percent of the median who has recently looked for a home to purchase knows that this “surplus” is only on paper.*
- *With only 810 vacant units available for sale in 2000, the owner housing market was very tight.*
- *When factoring in the mismatch between owner household incomes and owner housing cost, we find that there is a shortage of approximately 4,071 units affordable to low-income households, including 2,237 units affordable to very low-income households and 1,834 affordable to other low-income households. However, this does not include renters working to become homeowners, which may increase the gap by another 8,200 units.*

- *A total of 50 percent of low-income, small-family owner households, 39 percent of large-family, and 51 percent of all other low-income, owner households were cost overburdened.*
- *If all of the low-income, elderly, cost-overburdened households could be relocated to affordable rental housing, this could potentially add 1,296 units to the affordable housing market for families.*
- *Although headway has been made in increasing minority homeownership, over three-fourths of black householders and two-thirds of Hispanic or Latino householders were still renters in 2000.*

Housing Need

The following analysis of “housing need” estimates the number of housing units required to meet the needs of all existing renter and owner households in the City of Lincoln. We used the special Census tabulation provided by HUD to estimate the need for units based upon household size and income. Using other Census data that provided information on size of family and non-family households, we approximated, for example, how many small family households were two-person households (needing one or two bedrooms), how many were three-person households (needing two or three bedrooms), and how many were four-person households (needing three or more bedrooms). Additionally, we used other Census data to break down the information further to estimate, for example, how many two-person families were couples needing one bedroom and how many were a parent with a child needing two bedrooms. The tables below show the estimation of need (not preference) based on gross rent or owner costs and number of bedrooms. However, these tables do not take into account existing or future housing needs of persons who were homeless and looking to rent, renters who were looking to own, nor changes in needs of the future population. Discussions following the tables break down need by household types.

Rental Housing

As of the year 2000, an estimated 37,608 total rental units were needed by existing renter households, with 25,749 of those units needed by existing low-income households.

Based on other Census data, an assumption was made that all one- and two-member elderly households, 25 percent of small families, and 67 percent of unrelated households that were renting in 2000 were categorized as needing zero to one-bedroom rental housing units.

Additionally, 67 percent of small families and 25 percent of unrelated households were categorized as needing two-bedroom units. Finally, eight percent of both small families and unrelated households and all large families were categorized as needing three- or more bedroom units.

In 2000, there was an estimated existing need for 20,865 efficiency and one-bedroom apartments, 13,569 two-bedroom apartments, and 3,174 three- or more bedroom apartments.

Table 7.1: Household Need for Rental Housing Units by Number of Bedrooms and Affordability, Based upon Household Size and Income, 2000

Affordability of Units	Number of Bedrooms			
	0-1	2	3+	Total
Gross Rent Affordable to <= 30% AMFI	5,080	2,587	879	8,546
Gross Rent Afford. to >30 to <=50%	3,886	2,182	800	6,868
Gross Rent Afford. to >50 to <=80%	5,674	3,510	1,152	10,335
Gross Rent Afford. to > 80%	6,225	4,378	1,256	11,859
Total Units Needed	20,865	13,569	3,174	37,608
Total Low-Income Units Needed	14,640	8,278	2,830	25,749

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

The following summary estimates housing rental housing need by sub-population.

Housing for Low-Income Persons

According to the table above, of the 25,749 units needed by low-income households, there was an estimated need for 14,640 efficiency and one-bedroom apartments, 8,278 two-bedroom apartments, and 2,830 three- or more bedroom apartments. A total of 8,546 units were needed by extremely low-income households making less than 30 percent of the area median family income, 6,868 by very low-income households making 30 to 50 percent, and 10,335 by other low-income households making 50 to 80 percent.

Housing for Small Families

Small families required about 11,403 rental housing units in 2000, 7,132 affordable to low-income households. Most small families (67 percent) were estimated to be between two and four members, needing 7,640 two-bedroom units. Another 25 percent were estimated to be two family members in size, needing 2,851 one bedroom units. Finally, another eight percent were estimated to be four members in size, needing 912 three bedroom units.

Table 7.2: Small Family Household Need for Rental Housing Units by Number of Bedrooms and Affordability, Based upon Household Size and Income, 2000

Affordability of Units	Number of Bedrooms			
	0-1	2	3+	Total
Gross Rent Affordable to <= 30% AMFI	542	1,451	173	2,166
Gross Rent Afford. to >30 to <=50%	478	1,281	153	1,912
Gross Rent Afford. to >50 to <=80%	764	2,046	244	3,054
Gross Rent Afford. to > 80%	1,068	2,862	342	4,271
Total Small Family Units Needed	2851	7640	912	11403
Total Small Fam, Low-Income Units Needed	1,783	4,778	571	7,132

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

Small families needed 2,166 units affordable to incomes of less than 30 percent of the median, 1,912 affordable to incomes between 30 and 50 percent, and 3,054 affordable to incomes between 50 and 80 percent.

Housing for Large Families

All large households were estimated as needing three or more bedroom units. Large families required about 1,569 rental housing units in 2000, 1,140 affordable to low-income households.

Table 7.3: Large Family Household Need for Rental Housing Units by Number of Bedrooms and Affordability, Based upon Household Size and Income, 2000

Affordability of Units	3+ Bedrooms
Gross Rent Affordable to <= 30% AMFI	342
Gross Rent Afford. to >30 to <=50%	359
Gross Rent Afford. to >50 to <=80%	439
Gross Rent Afford. to > 80%	429
Total Large Family Units Needed	1569
Total Large Fam, Low-Income Units Needed	1140

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

Approximately 180 renter households were very-large families with seven or more persons, needing five- or more-bedroom units. This figure may be a slight underestimation of the number of larger units needed, as some refugee family households were split upon arrival to Lincoln due to the lack of large rental units.

Housing for Immigrants and Refugees

One of the greatest housing needs for immigrant and refugee families coming to Lincoln is the need for rental housing units which can support a large or very large family, according to the New American's Task Force. While not all immigrant and refugee households are large families (some are individuals or small families), large immigrant and refugee families face all of the same obstacles as smaller immigrant and refugee households, but must also struggle to find a large, affordable unit that can support a family of seven to 15 persons without breaking local codes. There are documented incidents of large families being split up among more than one housing unit to accommodate the family size. Additionally, these units must be affordable and available to those refugees receiving Section 8 or other assistance.

However, affordable housing need for immigrants and refugees extends beyond the need for large, affordable units. Immigrants and refugees need to be able to rent from those who have the capacity and patience to work with a household whose primary language may not be English. Additionally, they may need support in terms of learning how to use appliances, etc. Finally, because these households may not have credit established in the United States, landlords must be willing to be more flexible.

Housing for Single-Parent Families

There were approximately 5,926 single mothers and 1,696 single fathers with related children under the age of 18 living with them in 2000. Of these single-parent households, approximately 1,990 lived in poverty. Assuming that the majority of single-parent families were small, it can be estimated that over 90 percent of extremely-low-income, small-family households were single-parent households. Therefore, over 90 percent of the units affordable to extremely-low-income, small-family households were needed by single-parent households.

Single-parent households, especially those that are extremely-low-income, have supportive housing needs that extend beyond the household with no children or the dual-parent household, including the need for subsidized day care, youth services, flexible transportation, parenting and life skills training, and assistance in finding a job that is supportive of employees with children, in addition to job-skills training needed by all low-income households.

Elderly Housing

A total of 4,570 rental units are needed that support households with householders age 62 and older. Of these rental units, 3,478 units are needed by low-income elderly households.

Table 7.4: Elderly (1 and 2 member) Household Need for Rental Housing Units by Number of Bedrooms and Affordability, Based upon Household Size and Income, 2000

Affordability of Units	0-1
Gross Rent Affordable to <= 30% AMFI	1,495
Gross Rent Afford. to >30 to <=50%	995
Gross Rent Afford. to >50 to <=80%	988
Gross Rent Afford. to > 80%	1,092
Total Elderly Units Needed	4,570
Total Elderly, Low-Income Units Needed	3,478

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

Because almost 39 percent of persons 65 and older have some type of disability (i.e., physical, mental, sensory, self-care) and five percent of persons 65 and older with a disability are institutionalized, an estimated 1,550 total rental units (1,180 low-income units) should have some type of supportive services for elderly persons with disabilities (i.e., transportation, individualized care). (This figure does not include services for elderly persons with disabilities who were not in one- or two-person family households in 2000, such as those living with extended families or in group care facilities.) However, the number of total rental units needing these services could be high or low due to lack of information about householders with disabilities and the proportion of elderly renters who are disabled compared to homeowners. Stakeholders have suggested that a higher proportion of elderly disabled householders may be renters than homeowners.

From Chapter Four we found that approximately 16 percent of Lincoln's non-institutionalized elderly population were estimated to be chronically disabled in 2000, 12 percent needed in-home human assistance with daily living, and three percent used a mobility device (based upon national Department of Health and Human Services statistics). Therefore, an estimated 550 rental units (400 low-income units) needed more extensive, daily supportive services (i.e., assisted living). Additionally, based upon the total elderly population and the estimated percentage needing institutionalization, there was an estimated need for 1,200 beds in an institutionalized setting for elderly persons with a disability in 2000.

Housing for Other Persons with a Disability

In addition to the rental units needed for persons 65 and older with a disability, an estimated 850 rental units are needed by households with a person age 18 to 64 with a disability. This

estimation, however, assumes that persons with a disability are as likely to be renters as the general population. If persons with a disability are more likely to be renters, because they are more likely to be low-income, then the need for rental housing with supportive services will be higher. While approximately two-thirds of *all* rental units need to be affordable to those with low incomes, because persons with a disability are more likely to be low-income, a greater portion of these 850 units should be affordable to those with low incomes.

Barrier-free homes are important to persons who rely on mobility devices, wheelchairs and walkers in particular. There is not a reliable source of local data on the need for barrier-free households. However, based on national data, we can estimate a need for at least 500 barrier-free rental units, and another 450 modified units for persons with limited mobility, in 2000.

Owner Housing

As of the year 2000, an estimated 52,013 units were needed by existing owner households, with 12,879 of those units need by low-income households.

We used the special Census tabulation provided by HUD to estimate the need for units based upon household size and income. The table below shows the estimation of need (not preference) based on monthly owner expenses and number of bedrooms. The method used to determine need for owner-occupied housing includes potential future need, unlike rental housing which factors in only current need. However, this estimation does not take into account other factors that may affect demand for units. Based on other Census data, an assumption was made that half of one- and two-member elderly households, eight percent of small families, and 25 percent of unrelated households that owned in 2000 were categorized as needing one bedroom owner housing units. Additionally, 50 percent of elderly, 25 percent of small families, and 67 percent of unrelated households were categorized as needing 2 bedroom units. Finally, 67 percent of small families, eight percent of unrelated households, and all large families were categorized as needing 3 or more bedroom units.

In 2000, there was an estimated need for 10,170 one bedroom owner units, 18,138 two bedroom units, and 23,705 three or more bedroom units.

Table 7.5: Household Need for Owner Housing Units by Number of Bedrooms and Affordability, Based upon Household Size and Income, 2000

Affordability of Units	Number of Bedrooms			
	0-1	2	3+	Total
Owner Costs Affordable to <= 50% AMFI	1,472	1,958	968	4,397
Owner Costs Affordable to >50 to <=80%	2,147	3,422	2,913	8,482
Owner Costs Affordable to > 80%	6,551	12,758	19,824	39,134
Total Units Needed	10,170	18,138	23,705	52,013
Total Low-Income Units Needed	3,618	5,380	3,881	12,879

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

The following summary estimates owner-occupied housing need by sub-population.

Housing for Low-Income Persons

According to the table above, of the 12,879 units needed by low-income households, there was an estimated need for 3,618 one-bedroom units, 5,380 two-bedroom units, and 3,881 three- or more bedroom units. A total of 4,397 units were needed by extremely and very low-income households, and 8,482 by other low-income households.

Housing for Small Families

Small families required about 27,275 owner housing units in 2000, 3,921 affordable to low-income households. Most small families (67 percent) were estimated to be between two and four members, with a current or future need of 18,274 three- or more-bedroom units. Another eight percent were estimated to be two family members in size, with a current and future need of 2,182 one-bedroom units. Finally, another 25 percent were estimated to be two members in size, needing 6,819 two-bedroom units.

Table 7.6: Small Family Household Need for Owner Housing Units by Number of Bedrooms and Affordability, Based upon Household Size and Income, 2000

Affordability of Units	Number of Bedrooms			
	0-1	2	3+	Total
Owner Costs Affordable to <= 50% AMFI	80	250	671	1,001
Owner Costs Affordable to >50 to <=80%	234	730	1,956	2,920
Owner Costs Affordable to > 80%	1,868	5,839	15,647	23,354
Total Small Family Units Needed	2,182	6,819	18,274	27,275
Total Small Family, Low-Income Units	314	980	2,627	3,921

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

Small families needed 1,001 units affordable to incomes of less than 50 percent of the median and 2,920 affordable to incomes between 50 and 80 percent. The majority of small-family, owner households had incomes above 80 percent of the median.

Housing for Large Families

All large households were estimated as needing three- or more bedroom units. Large families required about 4,796 owner housing units in 2000, 1,045 affordable to low-income households.

Table 7.7: Large Family Household Need for Owner Housing Units by Number of Bedrooms and Affordability, Based upon Household Size and Income, 2000

Affordability of Units	3+ Bedrooms
Owner Costs Affordable to <= 50% AMFI	237
Owner Costs Affordable to >50 to <=80%	808
Owner Costs Affordable to > 80%	3,751
Total Large Family Units Needed	4,796
Total Large Family Low-Income Units	1,045

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

Approximately 508 owner households were very-large families with seven or more persons. Very-large families typically need five- or more-bedroom units.

Housing for Immigrants and Refugees

Many immigrants and refugees that come to the United States have the dream of homeownership. Some immigrant families begin to save toward the purchase of a home immediately. However, it is difficult to estimate how many immigrant households were prepared for homeownership in 2000. Nevertheless, we can assume that the need for larger, affordable units is higher among immigrant families. Stakeholders have stated that there is also a need for culturally appropriate housing that accommodates the specific needs of immigrant households.

Elderly Housing

A total of 12,009 owner units are needed that meet the needs of households with householders age 62 and older. Of these owner units, 5,306 units are needed by low-income elderly households.

Table 7.8: Elderly (1 and 2 member) Household Need for Owner Housing Units by Number of Bedrooms and Affordability, Based upon Household Size and Income, 2000

	Number of Bedrooms		
Affordability of Units	0-1	2	Total
Owner Costs Affordable to <= 50% AMFI	1,204	1,203	2407
Owner Costs Affordable to >50 to <=80%	1,450	1,449	2,899
Owner Costs Affordable to > 80%	3,352	3,351	6703
Total Elderly Units Needed	6,006	6,003	12009
Total Elderly Low-Income Units	2,654	2,652	5306

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

Additionally, because almost 39 percent of persons 65 and older have some type of disability (i.e., physical, mental, sensory, self-care), approximately 4,684 total owner units (2,069 low-income units) should have had some type of supportive services for persons with disabilities (i.e., transportation, individualized care). Additionally, an estimated 2,486 owner units (1,098 low-income units) needed more extensive, daily supportive services (i.e., assisted living) for elderly persons with a chronic disability. .

Housing for Persons with a Disability

An estimated 1,012 owner units are needed by households with a person age 18 to 64 with a chronic disability.

In total, an estimated 700 units needed to be barrier-free, with another 800 units for persons with limited mobility (based upon national averages).

Affordable Housing Gap

The information provided by the HUD special Census tabulation allows us to examine the gaps in the supply of and demand for housing based upon the income of particular household types:

elderly, small family, large family, and households headed by persons of particular races or ethnicities. However, because this information is limited to income, discussions held with housing stakeholders in the City will allow us to examine other reasons for gaps in housing. The barriers to affordable housing discussed above can create housing gaps for some or all of the target households. The following information examines both the quantitative and qualitative data gathered to determine where the affordable housing gaps are.

Rental Housing Gap

The difference between the supply of rental housing units by number of bedrooms and affordability (Table 5.11) and the household need for rental housing units by number of bedrooms and affordability based upon household size and income (Table 7.1), shows us the estimated surplus and shortage of rental housing units by size and affordability if all households selected the housing units that fit them most appropriately. There was a surplus of approximately 5,490 rental units in Lincoln in 2000. The table below also shows that there was an overall surplus of two- and three-bedroom units by 3,229 units and 4,418 units respectively. However, there was an overall shortage of efficiency plus one-bedroom units of 2,157.

Table 7.9: Estimated Surplus or Shortage of Rental Housing Units by Size and Affordability, including Vacant Units, 2000

Affordability of Units	Number of Bedrooms			
	0-1	2	3+	Total
Total <= 30%	-2,038	-1,013	395	-2,657
Total >30 to <=50%	6,299	6,735	2,249	15,282
Total >50 to <=80%	-1,190	1,820	2,431	3,061
Total > 80%	-5,228	-4,312	-656	-10,196
Total Surplus or Shortage	-2,157	3,229	4,418	5,490
Total Low-Income Units	3,071	7,541	5,074	15,686

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

Even with the surplus of 15,686 rental units affordable to low-income households, according to the analysis, the fact remains that 11,911 low-income, renter households were cost overburdened in 2000. The cost overburden may be explained by a variety of factors, including a) the large “shortage” of higher-priced units which cause those that could afford more to rent lower-cost units, b) imperfect matches (due to imperfect information, timeliness of vacancies, needs other than size and cost of unit, discrimination, etc.), c) quality of units not included, d) consumer choice/preferences (households that choose to pay more for housing for a variety of reasons), etc. Below, the mismatch is examined further to reveal true surpluses and shortages.

Rental Housing Gap for Low-Income Persons

While there was an overall surplus of units affordable to low-income households of each size, there was a shortage of units among specific rent groups and sizes. The table above shows that there was a shortage of 2,038 efficiency plus one-bedroom units and 1,013 two bedroom units affordable to those households with incomes less than 30 percent of the median family income. When factoring a small surplus of three-bedroom units, there was an overall shortage of 2,657 units affordable to those households with incomes less than 30 percent. There was also a shortage of 1,190 efficiency plus one-bedroom units affordable to those with incomes between

50 and 80 percent of MFI. However, there appeared to be a large surplus of units for very low-income households (between 30 and 50 percent MFI) for each unit size, and also an overall surplus of units for low-income households.

The table also shows a large shortage of units for households making 80 percent or more of the median. While making sure these households have access to affordable housing is not the primary concern of this analysis, this shortage means that these households will need to rent units affordable to households with incomes between 50 and 80 percent, or lower.

The table below shows that while there are shortages efficiency and one bedroom and two bedroom units, the vacancy rates of these units are much higher than average. One might think with such a shortage of units, the vacancy rate would be low. The shortage can be partially explained by the difference between household needs and wants. Additionally, those units that are most affordable tend to be of lower housing quality (some may be in unsafe condition) and/or in an undesirable location.

Table 7.10: Percentage of Vacant Rental Units by Size and Affordability, 2000

Affordability of Units	Number of Bedrooms			
	0-1	2	3+	Total
Gross Rent <= 30% Median Income	12.3%	13.7%	3.4%	10.9%
Gross Rent >30 to <=50%	6.1%	7.8%	5.9%	6.8%
Gross Rent >50 to <=80%	4.4%	3.8%	6.8%	4.8%
Gross Rent >80%	6.2%	2.5%	4.0%	4.9%
Percent of Total Vacant Units	6.6%	6.9%	5.9%	6.6%
Affordable to Low-Income	6.7%	7.0%	5.9%	6.7%

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

The following table shows the actual number of vacant rental units by size and affordability. There were 2,590 vacant units affordable to low-income households.

Table 7.11: Number of Vacant Rental Units by Size and Affordability, 2000

Affordability of Units	Number of Bedrooms			
	0-1	2	3+	Total
Gross Rent <= 30% Median Income	333	210	36	579
Gross Rent >30 to <=50%	582	659	161	1,402
Gross Rent >50 to <=80%	191	205	213	609
Gross Rent >80%	58	10	10	78
Percent of Total Vacant Units	1,164	1,084	420	2,668
Affordable to Low-income	1,106	1,074	410	2,590

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

The table below shows the actual number of housing units rented by households that fit the size and income criteria for those units.

Table 7.12: Rental Housing Units with Gross Rent Affordable to Low Income Groups Actually Rented by those Income Groups, 2000

	Number of Bedrooms			
Housing Units by Affordability	0-1	2	3+	Total
Total <= 30%	1,366	673	416	2,455
Total >30 to <=50%	4,637	3,108	968	8,713
Total >50 to <=80%	2,474	2,572	1,348	6,394
Total Low-Income Matched	8,477	6,353	2,732	17,562

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

When the number of households requiring units of specific rents and sizes (Table 7.1) is subtracted from the units actually rented by those income groups and household sizes (Table 7.12), the actual surplus or shortage can be found. The table shows a shortage of approximately 5,597 units affordable to low-income households in 2000.

Table 7.13: Actual Surplus or Shortage of Rental Housing Units by Size and Affordability, including Vacant Units, 2000

	Number of Bedrooms			
Housing Units by Affordability	0-1	2	3+	Total
Total <= 30%	-3,381	-1,704	-427	-5,512
Total >30 to <=50%	1,333	1,585	329	3,247
Total >50 to <=80%	-3,009	-733	409	-3,332
Total Low-Income Unit Surplus or Shortage	-5,057	-852	311	-5,597

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

The greatest shortage was among units affordable to households with incomes less than 30 percent of the median, with an unmet need of 5,512 units. While there was a surplus of 3,247 units available to those earning 30 to 50 percent, this was not enough to make up for the shortage of 3,332 units for those making 50 to 80 percent.

Additionally, there are affordable rental housing shortages which cannot be seen using the special Census tabulation alone. These shortages are due to

- rental housing quality problems (except lack of complete plumbing or kitchen facilities);
- location of affordable housing near transportation routes, services, and/or employment;
- need for 4 or more bedrooms;
- need for accessible housing;
- need for housing with supportive housing services; and,
- need for transitional housing.

Rental housing shortages may also increase in the event that programs, like HUD's Section 8 housing voucher program, are cut or projects, like LIHTC units, are converted to market rate units. The affordability of units in the tables above includes subsidized units.

Gaps in Rental Housing Assistance

The number of families requesting housing assistance grew dramatically between 1999 and 2004. As of December 1999, there were 835 households on the Section 8 tenant-based

assistance waiting list (less than a six-month estimated waiting period). By December of 2004, the number of households on this waiting list had grown to 2,246 (over a two-year estimated waiting period).

Table 7.14: Housing Need of Families on Waiting List and Served by Section 8 Program, by Unit Size, FY2005

Unit Size	Total Rental Housing	Waiting	Served	Total Rental Housing Assistance Need	Percent of Total Units
<i>All Units</i>	<i>38,056</i>	<i>2,246</i>	<i>2,774</i>	<i>5,020</i>	<i>13.2%</i>
No bedroom	2,222	826	26	852	38.3%
1 bedroom	14,272	407	776	1,183	8.3%
2 bedrooms	14,673	629	1,033	1,662	11.3%
3 bedrooms	5,341	301	703	1,004	18.8%
4 bedrooms	1,288	69	206	275	21.4%
5 or more	260	14	30	44	16.9%

Source: Lincoln Housing Authority, FY2005 Annual Action Plan

The number of extremely low income households on the waiting list tripled between 1999 and 2004. A total of 1,440 of those households on the waiting list were extremely low income in 2004, compared to 565 in 1999, and the remaining 476 households were very low income in 2003, compared to 257 in 1999.

The demand for public housing managed by Lincoln Housing Authority also increased over the five-year period from 230 households to 303 households.

Table 7.15: Public Housing Waiting List, by Unit Size, 1999 and 2004

Unit Size	1999	2004	% Change
<i>All Units</i>	<i>230</i>	<i>354</i>	<i>53.9%</i>
No bedroom	0	0	-
1 bedroom	55	0	-100.0%
2 bedrooms	97	207	113.4%
3 bedrooms	64	99	54.7%
4 bedrooms	11	36	227.3%
5 or more	3	12	300.0%

Source: Lincoln Housing Authority, FY2000 and FY2005 Annual Action Plans

Low-income rental housing need can drastically change from year-to-year. As the table below demonstrates, although overall need for rental housing assistance for extremely low- and very low-income households stayed about the same, the need for housing assistance for studio apartments increased by almost 228 percent over the year, while need for assistance for most other sizes of apartments declined.

Table 7.16: Change in Total Rental Housing Need of Families on Waiting List and Served by Section 8 Program, by Unit Size, FY2004 to FY2005

Unit Size	FY2004	FY2005	% Change
<i>All Units</i>	<i>5,045</i>	<i>5,020</i>	<i>-0.5%</i>
No bedroom	260	852	227.7%
1 bedroom	1,405	1,183	-15.8%
2 bedrooms	1,970	1,662	-15.6%
3 bedrooms	1,087	1,004	-7.6%
4 bedrooms	273	275	0.7%
5 or more	50	44	-12.0%

Source: Lincoln Housing Authority, FY2004 and FY2005 Annual Action Plans

While HUD data does not include the number of homeless persons that need permanent housing, the waiting list information does overlap with homelessness information somewhat, and may give us insight to the additional rental housing gap.

Housing Gaps by Type

The gaps in rental housing by type below is based upon available data, including data on cost overburden, households with housing problems, data from Lincoln Housing Authority, and other sources. This data should give us hints into the types of households facing the greatest barriers to affordable housing.

The table below shows that 79 percent of extremely-low-income, 61 percent of very-low-income, 16 percent of low-income, and two percent of moderate- and upper-income renter households had a housing problem. In general, 49 percent of all low-income renters and 34 percent of all renters had a housing problem.

Elderly, low-income, renter households, were more likely to have a housing problem than any other household type. Individuals and unrelated (all other) renter households were next likely, followed by small-related, and large-related households.

Table 7.17: Percent Renter Households with Housing a Housing Problem by Type, Lincoln, 2000

Household Income	Elderly	Small Related	Large Related	All Other	Total
<=30% MFI	56.8%	80.9%	82.7%	85.8%	79.3%
>30% to <=50% MFI	58.2%	60.2%	45.9%	63.4%	60.8%
>50 to <=80% MFI	39.8%	13.3%	6.8%	14.7%	16.3%
>80% MFI	17.9%	0.4%	0.9%	0.8%	2.2%
Total Low-Income Households	52.4%	46.4%	41.9%	50.3%	49.1%
Total Households	44.1%	29.2%	30.7%	35.3%	34.3%

Source: CHAS 2000, HUD

Gaps in Rental Housing for Small Families

Approximately 46 percent of low-income, small families who rent have some type of housing problem. Extremely low-income small families who rent experience overcrowding more than those of higher incomes. However, the greatest housing problem for low-income, small families in general is cost overburden. As seen in Chapter 6, tables 6.49 and 6.52, 70 percent of extremely low-income, small-family, renter households were cost overburdened in 2000. There were approximately 1,516 households in this group. Another 57 percent, or 1,097 households, of very low-income, small-family, renter households were also cost overburdened.

Gaps in Rental Housing for Large Families

As seen in Chapter 6, nearly 51 percent of extremely low-income, large-family, renter households, a total of 176 households, were cost overburdened in 2000. Nearly 46 percent of or 115 very low-income, large-family renter households were cost overburdened. Almost as big of a problem is the percentage of large families experiencing over crowding; 40 percent of extremely low-income, 42 percent of very low-income, and 36 percent of other low-income, large renter families are experiencing overcrowding and/or are living with incomplete plumbing and kitchen facilities.

Additionally, stakeholders suggested that very-large, low-income families (particularly refugee and immigrant families) faced the greatest barriers to affordable housing due to the lack of units of both appropriate size and cost.

Gaps in Elderly Rental Housing

Over half of all low-income, elderly, renter households or a total of 1,663 were cost overburdened in 2000. This group is more likely than small-family or large-family households to be cost overburdened. However, they are less likely to experience overcrowding or other housing problems.

The need for rental housing assistance by the elderly fluctuates each year. The Lincoln Housing Authority (LHA) waiting list showed over 450 elderly families waiting for public housing and tenant-based rental assistance in 2003 and over 190 in 2004.

Gaps in Rental Housing for Persons with a Disability

The Lincoln Housing Authority (LHA) waiting list showed over 325 families with persons with disabilities waiting for public housing and tenant-based rental assistance in 2003 and over 350 in 2004.

On average, Assistive Technology Partnership and the League of Human Dignity receive approximately 75 requests (about half of which they can assist) for home modifications (including interior and exterior, rental and owner-occupied) for persons of all ages in the City of Lincoln. Households can apply for additional modifications to the same house year after year.

Additional Gaps

Gaps in rental housing may affect some minority households disproportionately. Renter households headed by persons who are bi- or multi-racial, American Indian, Asian, or Black are more likely to be cost overburdened than other races and ethnicities. Additionally, races and ethnicities other than white, non-Hispanic are disproportionately in need of rental housing assistance.

The number of transitional housing units (rental housing subsidized through the assistance of providers) needed by homeless persons and families are estimated by examining the waiting lists of current providers. An additional 270 efficiency or one-bedroom units are needed for individuals making less than 30 percent of the median income, and 30 two- or more bedroom units are needed for families making less than 30 percent. Some of these units may be included in the gap for rental housing assistance.

According to the Hanna Keelan Statewide Consumer Housing Needs Study for Extremely Low Income Persons with a Serious Mental Illness (SMI), there is a need for creating 593 additional units for persons 19 years of age and older with an SMI by the year 2008 in the City of Lincoln. The need was estimated at 31 percent of the current population. There are currently 27 providers serving over 4,100 individuals in an area of the State that includes the City of Lincoln and several rural counties. Affordable, independent, apartment units and transitional housing are the types of units most needed in the area.

Owner Housing Gap

The difference between the supply of owner housing units by number of bedrooms and affordability (Table 5.14) and the need for owner housing units by number of bedrooms and affordability based upon household size and income (Table 7.5), shows us the estimated surplus and shortage of owner housing units by size and affordability in a perfect market. There was an estimated surplus of 885 owner units in Lincoln in 2000. The table below also shows that there was an overall surplus of three-bedroom units by 14,797 units, and an overall shortage of efficiency plus one-bedroom units of 8,901 and two-bedroom units of 5,011.

Table 7.18: Estimated Surplus or Shortage of Owner Housing Units by Size and Affordability, including Vacant Units, 2000

Affordability of Units	Number of Bedrooms			
	0-1	2	3+	Total
Total <= 50%	-939	1,817	5,081	5,960
Total >50 to <=80%	-1,724	4,672	15,762	18,710
Total > 80%	-6,238	-11,500	-6,046	-23,785
Total Surplus or Shortage	-8,901	-5,011	14,797	885
Total Low-Income Surplus or Shortage	-2,662	6,489	20,843	24,670

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

There appeared to be a surplus of 5,960 units affordable to households with incomes less than 50 percent of the median, and 18,710 units affordable to those between 50 and 80 percent. However, there also appeared to be a shortage of 23,785 units affordable to households making over 80 percent.

The following two tables show the vacancy rates and the actual number of vacant rental units by size and affordability of owner units in 2000. There were only 810 vacant units available for sale in 2000, which was just over one percent of the existing owner housing stock. While the vacancy rate for one bedroom units was slightly higher at nearly four percent, there were only 50 vacant units of this size. The vacancy rate for units affordable to low-income households was lower than the overall vacancy rate.

Table 7.19: Percentage of Vacant Owner Units by Size and Affordability, 2000

	Number of Bedrooms			
Affordability of Units	0-1	2	3+	Total
Owner Exp <= 50% Median Income	4.1%	3.5%	1.8%	2.5%
Owner Exp >50 to <=80%	6.6%	0.8%	0.7%	0.8%
Owner Exp >80%	0.0%	6.4%	1.8%	2.1%
Percent of Total Vacant Units	3.9%	2.1%	1.2%	1.5%
Affordable to Low-Income	5.2%	1.7%	1.0%	1.3%

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

The highest number of vacancies were among three-or-more bedroom units affordable to those households making above 80 percent.

Table 7.20: Number of Vacant Owner Units by Size and Affordability, 2000

	Number of Bedrooms			
Affordability of Units	0-1	2	3+	Total
Owner Exp <= 50% Median Income	22	133	108	263
Owner Exp >50 to <=80%	28	67	127	222
Owner Exp >80%	0	81	244	325
Percent of Total Vacant Units	50	281	479	810
Affordable to Low-Income	50	200	235	485

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

Owner Housing Gap for Low-Income Persons

The table below shows the actual number of housing units owned by households that fit the size and income criteria for those units. Only 8,232 of the 12,879 households needing units affordable to low-income households were appropriately matched to units.

Table 7.21: Owner Housing Units with Owner Expenses Affordable to Low Income Groups Actually Owned by those Income Groups, 2000

	Number of Bedrooms			
Housing Units by Affordability	0-1	2	3+	Total
Total <=50%	162	903	832	1,897
Total >50 to <=80%	201	2,793	3,431	6,426
Total Low-Income Matched	363	3,697	4,263	8,323

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

When the number of households requiring units of specific owner costs and sizes (Table 7.5) is subtracted from the units actually owned by those income groups and household sizes (Table 7.21), the actual surplus or shortage can be found. The table shows a shortage of approximately 4,071 units affordable to low-income households in 2000.

Table 7.22: Actual Surplus or Shortage of Owner Housing Units by Size and Affordability, including Vacant Units, 2000

Housing Units by Affordability	Number of Bedrooms			
	0-1	2	3+	Total
Total <=50%	-1,288	-921	-28	-2,237
Total >50 to <=80%	-1,918	-562	646	-1,834
Total Low-Income Unit Surplus or Shortage	-3,205	-1,483	617	-4,071

Source: Estimates from Urban Development, Census 2000 and HUD, CHAS 2000

According to the tables above, there were shortages in one- and two-bedroom owner units and a small surplus in three- or more-bedroom units for low-income households. The table also shows shortages of 2,237 owner units affordable to extremely and very low-income households, and 1,834 affordable to low-income households.

However, the shortages above do not include households that are renters, but wish to become owners. We should examine some current renters as potential homeowners in determining the owner housing gap. The most likely renters to become owners are those making over 80 percent followed by those making between 50 and 80 percent of the median income. Additionally, families are more likely to enter into ownership agreements than unrelated persons or single persons. Finally, the elderly are also not as likely to change tenure from renter to owner. In 2000, there were 3,493 non-elderly, small- and large-family renter households with incomes between 50 and 80 percent of the median, and 4,700 with incomes over 80 percent. Therefore, up to an additional 8,200-unit housing gap may have existed in 2000. This figure may overestimate the additional gap; nevertheless, while not all small and large renter families were prepared or desired to be homeowners at that time (even if the housing supply allowed them to), this number does not include individuals or unmarried partner households who may have been prepared or desired to own a home.

Therefore, there exists two gaps in owner housing: those households in housing units that do not fit their current housing need (either due to cost or other housing problems) and those that are currently renters who prefer to be owners and are prepared to be (or could be prepared to be) owners if a house at the right price came along. These two gaps are discussed under each household type below.

The table below shows that while under 15 percent of all owner households had a housing problem in 2000, approximately 40 percent of low-income (69 percent of extremely-low-, 47 percent of very-low-, and 33 percent of low-income) owner households had a housing problem. Elderly, low-income owner households are less likely to have a housing problem (24 percent), than small- (51 percent) and large-family (46 percent) and all other low-income owner households (51 percent).

Table 7.23: Percent Owner Households with a Housing Problem by Type, Lincoln, 2000

Household Income	Elderly	Small Related	Large Related	All Other	Total
<=30% MFI	58.9%	82.6%	100.0%	82.5%	68.9%
>30% to <=50% MFI	29.4%	66.3%	70.3%	64.8%	46.9%
>50 to <=80% MFI	12.7%	45.2%	37.5%	43.3%	32.9%
>80% MFI	3.0%	6.4%	5.5%	12.0%	6.4%
Total Low-Income Households	24.4%	51.5%	46.3%	51.1%	39.8%
Total Households	12.5%	12.9%	14.4%	24.8%	14.7%

Source: CHAS 2000, HUD

Gaps in Owner Housing for Small Families, Large Families, and Other Households

A total of 50 percent of low-income, small-family owner households, 39 percent of large-family, and 51 percent of all other low-income, owner households were cost overburdened. Similar to renter households, those with the greatest cost overburden, as shown in table 6.57, were extremely low-income households, except for very low-income, large-family households. A total of 3,686 low-income, non-elderly, owner households were cost overburdened (as seen in Table 6.56). Whether or not these households were in an ownership situation that may lead them back to renting or they are in a temporary situation that they can weather with savings or by spending less on other goods and services is unknown.

Gaps in Owner Elderly Housing

Because most elderly households do not choose to become homeowners late in life, if they were not homeowners already, the gap in elderly owner housing may be very low. In actuality the gap may be negative. Over half of the extremely low-income, cost overburdened owner households, or a total of 439, were elderly households in 2000. An additional 489 very low-income, elderly households and 368 other low-income, elderly households were also cost overburdened. These households may need to be added to the gap in elderly rental housing. If these households could be relocated to affordable rental housing, this could ease and housing problems and add 1,296 units (if they are safe and sound) to the affordable housing market for families. There are an additional 4,010 units owned by elderly households with incomes less than 80 percent.

Gaps in Owner Housing for Persons with a Disability

There is no one source of data on the number of owner-occupied units that have been modified or built for persons with disabilities. Additionally, because the modifications are often dependent upon the level of disability and type of disability, there will likely always be a gap in this type of housing. However, we are encouraged that more architects and builders are aware of universal design and building houses that are more adaptable.

Gaps in Owner Housing for Other Household Types

While the number of homeowners increased by 14 percent for the City as a whole (and renters by 22 percent), the number of owner households headed by black, non-Hispanic persons increased by only three percent (and renters by 37 percent). Over three-fourths of black householders are renters. There is concern that households headed by persons who are black have less of an opportunity for homeownership than other races (for whatever the reason).

Although households headed by Hispanic householders made great strides in homeownership over the decade, with an increase 132 percent for owners (84 percent for renters), two-thirds of Hispanic householders are still renters. Additionally, Home Mortgage Disclosure Act data reveals that language might continue to be a large barrier for Spanish-speaking home buyers.